

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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IN THE MATTER OF:	PRIMEVEST FINANCIAL SERVICES	)
	ITS OFFICERS, DIRECTORS,	)
	EMPLOYEES, AFFILIATES, SUCCESSORS,	)
	AGENTS AND ASSIGNS	)

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File No. 0900257

NOTICE OF HEARING

TO THE RESPONDENTS:      PrimeVest Financial Services (CRD #15340)  
                                 400 First Street, Suite 300  
                                 P.O. Box 283  
                                 St. Cloud, MN 56302

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5/1], et seq. (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 300 W. Jefferson Street, Suite 300A, Springfield, Illinois 62702 on the 19<sup>th</sup> day of May, 2010, at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, before Jon K. Ellis or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order should be entered which revokes the Broker/Dealer registration of PrimeVest Financial Services (the "Respondent") in the State of Illinois and/or granting such other relief as may be authorized under the Act including but not limited to imposition of a monetary fine in the maximum amount of \$10,000 pursuant to Section 11.E.4 of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

1. That the Respondent Primevest Financial Services (hereinafter, "Primevest") is a registered broker/dealer with a last known main address of 400 First Street, Suite 300, P.O. Box 283, St. Cloud, Minnesota 56302;
2. That at all times relevant the Respondent had an office of supervisory jurisdiction ("OSJ") located at 3161 West White Oaks Drive, Springfield, Illinois 62704;
3. That at all times relevant, Kristen Mattson Brandon, CRD # 2014190, was an employee of PrimeVest as well as the

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Supervising registered representative of the aforesaid OSJ and had supervisory responsibilities for 36 PrimeVest offices, including the aforesaid OSJ;

4. That Ms. Mattson Brandon was trained for her position by the Respondent PrimeVest;
5. That at all times relevant, the aforesaid OSJ conducted business on the premises of Independent Bankers Bank;
6. That at all times relevant Linda Jensen was a PrimeVest sales representative with Insurance Licensure only and was not registered with the Illinois Securities Department (hereinafter "Department");
7. That at all times relevant, Jennifer Enstrom, Kathy Boyd, Renda Kirby and Lorri Rusk were bank employees of Independent Bankers Bank and not registered with the Department;
8. That on or about February 2, 2009, through February 6, 2009, an audit of Respondents was performed by Susan LaRussa ("LaRussa"), Herb Clausen ("Clausen") and Ray Dewitt ("Dewitt"), who were employees of the Illinois Secretary of State, Securities Department ("Department");
9. That as a result of the aforementioned audit, the following deficiencies were found:
  - a.) Linda Jensen accepted checks from PrimeVest securities clients; PrimeVest supervisory procedures manual prohibits employees that are not registered with the Department from receiving cash, checks or securities from PrimeVest securities customers on behalf of the investment center;
  - b.) Jennifer Enstrom, Kathy Boyd, Renda Kirby and Lorri Rusk, all bank employees, accepted checks, and Lorri Rusk was accepting securities, from PrimeVest securities clients; PrimeVest compliance procedures manual prohibits bank employees from accepting cash, checks or securities from PrimeVest securities customers on behalf of the investment center.
  - c.) Branch office's other business names, or DBA's, were not reported to the CRD as required by FINRA;

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- d.) Monthly transmittal forms were not completed on a monthly basis as required by supervisory procedures and several forms had missing or incorrect information;
  - e.) Check received blotters were filled out incorrectly and did not contained required information;
  - f.) A securities received and delivered blotter was not maintained;
  - g.) A complete employee personnel file for all employees was not maintained;
  - h.) Business cards of PrimeVest employees were not maintained, contained incorrect information and were not approved by PrimeVest;
  - i.) Home address of Bradley Johannes was not reported to the CRD as a branch office;
  - j.) Internal audit file was incomplete, and was missing multiple responses;
  - k.) Correspondence, e-mails, and e-mail addresses were used by PrimeVest employees which were not approved by PrimeVest;
  - l.) A complete Seminar/Advertising file was not maintained;
  - m.) A complete Complaint file was not maintained;
  - n.) New account/suitability information in several customer accounts was over 3 years old and/or was incomplete.
10. That on March 20, 2008, less than a year prior to the Department's aforesaid audit, PrimeVest conducted an internal audit of the aforesaid OSJ, and that, with the exception of the aforesaid personnel file deficiency, failed to note the aforesaid deficiencies found by the Department;
11. That Section 8.E.1(e) of the Act states, inter alia, that subject to the provisions of subsection F of Section 11 of

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the Act, the registration of a dealer may be suspended or revoked if the Secretary of State finds that the dealer has failed reasonably to supervise the implementation of compliance measures or failed to maintain and enforce written procedures to supervise the types of business in which it engages and to supervise the activities of its salespersons that are reasonably designed to achieve compliance with applicable securities laws and regulations;

12. That PrimeVest failed to supervise Ms. Mattson Brandon, a supervisor of an office of supervisory jurisdiction and of 36 branch offices, and thereby failed to supervise the implementation of compliance measures and to maintain and enforce its written procedures as evidenced by the aforesaid deficiencies;
13. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as the costs of investigation and reasonable expenses;
14. That by virtue of the foregoing, the Respondents are subject to the entry of an Order which revokes its dealer's registration in the State of Illinois pursuant to the authority provided under Section 8.E.(1)(e) of the Act as well as a fine in the amount of \$10,000.00 per violation.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer, special appearance or other responsive pleading to the allegations outlined above within thirty days of the receipt of this notice. A failure to file an answer, special appearance or other responsive pleading within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any respondent has upon due notice moved for and obtained a continuance.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondent.

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Dated this 2nd day of March, 2010.

Jesse White

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JESSE WHITE  
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State of Illinois

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Hearing Officer:  
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